HON'BLE SHRI G.S.SINGHVI, THE CHIEF JUSTICE
AND
HON'BLE SHRI JUSTICE C.V.NAGARJUNA REDDY

WRIT PETITION No.16738 OF 2007

Between:

Sri V.Venkateswara Rao

. . .Petitioner

AND

The Government of Andhra Pradesh and others

. . .Respondents

:: ORDER ::

Counsel for the petitioner : Shri Girish Kumar

Counsel for respondent No.11 : Shri K.Raji Reddy,
Special Government Pleader for
Commercial
Tax

7th August, 2007

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PER G.S.SINGHVI, CJ

This is a petition for quashing Memo No.602/F8(1)/2006, dated 14.3.2007 issued by the State Government for deduction of 4% tax at source under the Andhra Pradesh Value Added Tax Act, 2005 (for short, 'the 2005 Act') from the contractors.

The petitioner is engaged in the business of execution of works contracts. It is registered as dealer under the 2005 Act. He was awarded contract for providing B.T. to the road from Fedana to Guduru (via) Akulamannada and Kappaladoddi, B.T. surface on the road from Gowravaram to Gudimettla (via) Cherukumpalam and Peddavaram, B.T. to the road from Elamarru Ganganamma temple to Jabarlapudi, widening and strengthening the carriage way of Medlacheruvu – Chintriyal road from KM 0/0 to 27/645, widening and strengthening the carriage way of Dondapadu – N.H.9 from KM 0/0 to 20/230, improvements to Mudinepalli-Gudlavalleru road from KM 0/0 to 12/0, improvements to the road from Tallapalem to Narayanapuram road from KM 3/0 to 13/0, PMGSY package -road from N.H.9 @ 215/0 to Munagacherla (via) Hamumanthapalem, road from Mullapudi to Inampudi, road from Jayanthi to Errupalem, improvements to the approach road to Kolletigudem of Velagaleru (Village) in G.Konduru (M), special repairs to Madhira – Kanchikacherla road from KM 21.300 to 29.400, special repairs to Madhira – Kanchikacherla road from KM 29.400 to 37.920 in Krishna District vide agreements dated 28.9.2005, 3.3.2006, 7.3.2006, 17.1.2007, 25.1.2007, 12.4.2007, 16.4.2007, 19.6.2007, 26.6.2007. The grievance of the petitioner is that even though the State Government has directed deduction of 4% tax at

source, certificates of TDS are being issued only with respect to 2.8% and only 2.8% was being remitted to the Commercial Tax Department and, on that account, his liability remains pending with the Commercial Tax Department.

During the pendency of the writ petition, the State Government issued Memo No.602/F8(1)/2006-8 on 19.7.2007, and removed the anomaly pointed out in the affidavit of the petitioner. The concerned officers have now been directed to remit the entire amount of tax deducted at source to the Commercial Tax Department.

Learned counsel for the parties agree that in view of Memo dated 19.7.2007, similar petitions filed by other contractors have been disposed of as infructuous with the direction that the amounts retained by the contracting department be remitted to the Commercial Tax Department and necessary certificate be issued to the writ petitioner.

In view of the above, this petition is disposed of in similar terms and the contracting department is directed to remit the remaining amount of tax deducted at source to the Commercial Tax Department and also issue necessary certificate to the petitioner.

As a sequel to disposal of the writ petition as infructuous, WPMP No.21344 of 2007 filed by the petitioner for interim relief is also disposed of as infructuous.

G.S.SINGHVI, CJ

7th August, 2007

C.V.NAGARJUNA REDDY, J

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